



Payment Error Rate Measurement (PERM) Program  
Office of Financial Management  
Program Integrity Group  
7500 Security Blvd  
Baltimore, MD 21244

## **PERM STATISTICAL CONTRACTOR**

The Statistical Contractor (SC) for Payment Error Rate Measurement Program (PERM) has 4 main responsibilities, they are:

1. Review each state's eligibility sampling plan;
2. Conduct intake calls with the states, collect and validate universes;
3. Sample fee-for-service line items and managed care capitation payments on a quarterly basis; and
4. Calculate the national Medicaid and SCHIP payment error rates.

### **Review each state's eligibility sampling plan**

The SC is responsible for reviewing the eligibility sampling plan submitted by the participating states and working with them to ensure the sampling plan is sufficient for PERM eligibility review purpose.

### **Conduct intake calls with the states and collect sample universe**

The SC will conduct intake calls with each state individually at the beginning of the cycle after sending out the data submission instructions. The intake calls will discuss the requirements of the data submission, and the structure of the Medicaid and SCHIP programs within the state.

Based on the fiscal calendar year (starting October 1 through September 31 of the following year), each state will be submitting their data universe to the SC by the 15<sup>th</sup> after the end of each quarter. The SC will collect the universe and perform quality control to ensure the completeness of the universe.

### **Sample fee-for-service line items and managed care capitation payments on a quarterly basis**

When the SC receives the data universe in each quarter, they will determine the sample size of line items/capitation payments that will be reviewed for each state in each quarter. Then, the SC will select a random sample of line items/payments per quarter for review.

### **Calculate the national Medicaid and SCHIP payment error rate**

The SC will calculate the national Medicaid and SCHIP payment error rates based on the error findings from the states (for eligibility) and error findings from the review contractor (for medical and data processing reviews).